



HB 207: Support Four Established Montana Food and Agricultural Development Centers

What would this bill do?

This bill would fund four established food and agricultural development centers – traditionally known as “food innovation centers” and more recently “bio-product innovation centers” – to maintain and modestly build on Montana’s capacity to assist entrepreneurs in the areas of food manufacturing and alternative energy production. These centers hold tremendous potential for economic development in both urban and rural communities by ensuring that more of the state’s food, agricultural, and energy dollars circulate in Montana – revitalizing communities, improving access to healthier food for our citizens, and reconnecting our rural and urban economies.

Who will benefit?

Farmers, Ranchers, and Small Businesses.

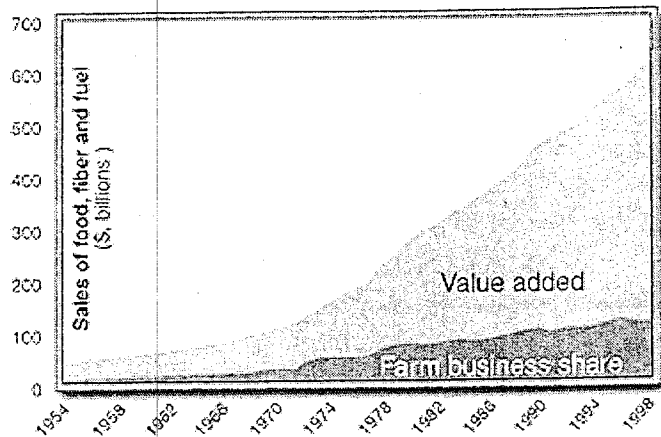
While agriculture ranks as one of the state’s top industry in terms of dollars generated, it is no longer bringing real prosperity to our rural communities because so much of our raw agricultural commodities are shipped out of state for processing elsewhere and then re-imported in their value added form to feed our own citizens. Montana’s agricultural producers currently have few options for adding value* to their crops and livestock within the state of Montana. By ensuring that these six centers can continue to provide technical assistance to Montana’s food and farm entrepreneurs, this bill will help Montana retain a greater share of the billions of food and energy dollars Montanans otherwise send out of state.

Montana’s Citizens and Communities.

The demand for Montana-produced food and energy greatly exceeds supply.

Maintaining and building our food manufacturing and farm-energy production infrastructure adds value that stays on our farms and in our communities, while reducing our dependence on global sources for food and fuel.

Most of the value of US food, fiber, and fuel products at final sale is added after raw materials leave the farm



Source: Parcell, Brees, and Giddens 2002

* “Value-added” means farm and ranch products and services sold for more than commodity prices.



Strengthening our Food and Agricultural Economy

Why do we need Food and Agricultural Development Centers?

Montanans spend more than \$3 billion a year on food, yet our agriculture-related businesses are capturing only a tiny fraction of that for our state's economy and communities. This does not make sense economically, socially or environmentally. Research confirms that the lack of a food processing and value-added agriculture infrastructure is a primary barrier inhibiting the ability of farmers and ranchers to serve in-state markets, including wholesale markets such as school, university and hospital food services, and retail markets. A state match to federal dollars already invested in these centers will keep them operating during the next biennium. This investment will also allow Montana's food and agricultural development centers the opportunity to properly serve the highest-priority needs for our state's food manufacturing and farm-based energy production sectors. Established food and agricultural development centers provide a range of services:

- Food product development and nutritional analysis and labeling;
- Implementation of food safety regulations;
- Technical assistance for farm-derived renewable energy and bio-fuels;
- Business plan development counseling for agriculture-based entrepreneurs; and
- Project management services for agricultural producers and others for value-added agricultural products and alternative energy opportunities.

The condition of our economy is of growing concern, and this is a sensible economic development investment – an agricultural, food and farm-energy economic stimulus for Montana.

How much will it cost?

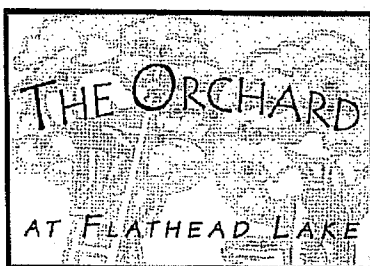
This bill provides \$250,000 for each of the fiscal years 2011 and 2012.

Who will oppose this bill?

Those who oppose this bill do not realize that demand for Montana-produced food and farm-based energy greatly exceeds supply and that community-based food processing boosts our agricultural and small business sectors, creating jobs and keeping money Montanans spend on food and energy in our communities and on our farms and ranches. If Montanans are to take advantage of the tremendous interest and market trends in Montana-produced food and energy, we must maintain and enhance our capacity to add value to our agricultural products and work toward developing our own alternative energy resources. Development of a stable, sustainable Montana food system can help make value-added agriculture an engine of community-based economic development. It just makes sense for *all* Montanans.

For more information, please contact:

Grow Montana Coordinator-Kevin Moore (406) 443-7272 kmoore@aeromt.org



The Orchard at Flathead Lake, LLP
23126 Yellow Bay Lane
Bigfork, MT 59911
Ph: 406-982-3058
Fax: 419-858-2650
www.MontanaOrchard.com

January 11, 2011

To: Montana State Legislature

Re: HB 207 Provide support for network of Montana Food and Agricultural
Development Centers

Dear Committee Members,

We are writing this letter in support of the referenced bill.

Our family has been in the cherry growing business in Montana since 1976. As some of you may be aware, this special portion of Montana's agriculture heritage is dwindling. Economic decisions have been the leading factor over the years attributing to the decline of the orchards in the Flathead Valley. When we took stewardship of the family orchard in 2002, it was apparent that added value products would be needed to aid in sustaining this agricultural livelihood. The harvest of 2003 saw our first four products hit store shelves in Montana. Since that time, our product line has grown to 14 products and we now have stores across the country, as well as a thriving internet business. Without the existence of the Mission Mountain Food Enterprise Center in Ronan, we would not have had the facility or equipment to produce these products. The Center has been an integral part of our growth.

Please vote to fund these centers and allow Montana farmers and entrepreneurs a resource to help them keep their farms and businesses viable.

Thank you for your time and your continued support of Montana,

Gary & Heidi Johnson
The Orchard at Flathead Lake, LLP
23126 Yellow Bay Lane
Bigfork, MT 59911
www.MontanaOrchard.com

The Way Fruit Was Meant To Taste!



Specializing in All Natural, Mesquite-Smoked Buffalo Jerky



1-17-2011

To Whom it may concern,

Lake County Community Development and the Food and Ag. Center is an absolute necessity to Silent Creations Buffalo Products. Silent Creations produces a Traditional-Style Buffalo Jerky that is now sold Nationally because of the facilities and staff at Lake County Food and Ag. The staff has been positively instrumental with their help and expertise from production help, USDA labeling, packaging and most every aspect placing a food product into the public marketplace.

I fully and wholly back this facility and it's staff and have the highest hopes that this unique resource will remain available for the people and entrepreneurs of Montana to utilize to help our local and state economies to continue to thrive and reflect the cohesion on our communities.

Respectfully with support,

MATTHEW SILENT THUNDER
OWNER, SILENT CREATIONS

January 20, 2011

Uncle Bills Sausages
1918 Brooks
Missoula, MT 59801

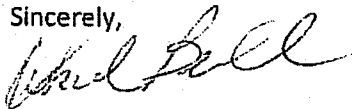
Re: HB 207 Food and Agriculture Center Program

To House Appropriation Committee;

My company is an established meat manufacturer of the finest sausage you can find in Montana. I have worked with the western center of the Montana Food and Agriculture Center program and received assistance in expanding my products to other markets. Without them I would not have developed 40 federally improved labels for my products. This program is key to helping small business owners such as myself in developing food products and reaching new markets. If I am successful in my expansion my company will be creating jobs in Montana which is so important in todays economy.

Thanks you for your consideration and I urge you to support HB 207.

Sincerely,

A handwritten signature in cursive script, appearing to read "Uncle Bill", written in dark ink.

Uncle Bill Stoianoff- owner

North Frontier Farms, Inc.
Ole Norgaard
762 Danvers Rd.
Lewistown, Mt. 59457
406-538-3607

January 16, 2011

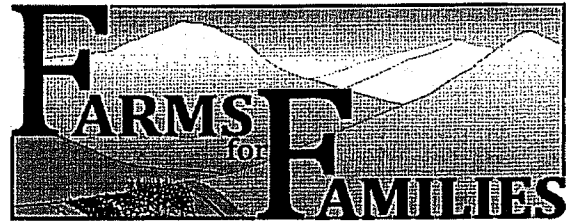
TO: House Appropriation Committee Chair- Walter McNutt (R-Sidney), House Appropriations Committee and Members of the House Appropriations Committee

RE: Montana's Food and Agricultural Development Network

I am writing to express my support for Montana's Food and Agricultural Development Network that is administered by the state Agriculture Department. This is a well thought out network especially designed for Montana to help form and develop regional food, renewable energy, and other value-added agricultural categories. The combine network of these centers means that there is expertise help to be found for any new entrepreneur that wants to get started. Help for business plans, help finding funding, help for creating new value-added food products. An investment in these centers is relatively small compared to the outcome they already have demonstrated and potential outcome of the entrepreneurs they help. The program in its first year has been able to get \$9.3 million in grants, loans and investments for MT businesses that the centers helped acquire. We need to remember that entrepreneurs have always been the driving and active force in creating new industries and jobs anywhere, including here in Montana.

I ask you to keep help fund these centers so they can help people and entrepreneurs here in Montana.

Sincerely, Ole Norgaard



"Growing food and community"

January 15, 2011

To: House Agriculture and Appropriations Committees

From: Mark Rehder, Director of Farms for Families and owner of Geyser Farm

I am writing to express my support for the programs operated by the Montana Food and Agriculture Development Centers. The Agriculture Centers and their programs are cornerstones for Montana's start-up entrepreneurial and agricultural businesses. I work directly with new farmers and consistently refer people to the Centers for detailed information on marketing, business planning and food processing. Our Farms for Families programs help young farmers start producing food, but the real struggle for new farmers is connecting their production with value added processing, advertising and communications, food safety, regulations and the myriad of other issues that never occur to people starting new businesses. This is where the work of Montana's Food and Agricultural Development Network is so necessary.

Currently, there are almost no alternatives for the important role these Centers supply. In a state as large as Montana, and with our short seasons and commodity based farm production systems, food processing is essential for our current economy and future food security. Please support the future development of the Montana Food and Agriculture Development Centers. These programs are essential towards developing our own local economies and for products that can be moved into national and international markets.

Sincerely,

Mark Rehder

Mark Rehder

Farms for Families

315 South 8th Street

Livingston Montana 59047

406-222-7585

Cell 451-9330

info@farmsforfamilies.org

Community Food
Agriculture Coalition
OF MISSOULA COUNTY

127 N. Higgins, Suite 307 D
Missoula, MT 59802
(406) 880-0543

January 17, 2011

To: Rep. Walter McNutt, House Appropriations Committee Chair
Rep. Bill Beck, House Appropriations Committee Vice Chair
Rep. Cynthia Hiner, House Appropriations Committee Vice Chair
Rep. Champ Edmunds, House Appropriations Committee
Rep. Jon Sesso, House Appropriations Committee and Minority Leader

RE: Please support working farms, job creation, and the development of food businesses. Vote YES on HB 207 Food and Agriculture Center Program Bill.

On behalf of the Community Food & Agriculture Coalition (CFAC), I ask you to vote for HB 207 Food and Agriculture Center Program Bill, sponsored by Rep. MacDonald.

Montana needs to create jobs by supporting and growing in-state businesses. A vote for HB 207 is an investment in the economic development of the food and farm businesses that make up the backbone of our state. With new Food and Ag Development Centers in Ronan, Joliet, Glendive, Havre, and Lewistown, Montana has already begun laying the foundation to assist a variety of farms and ranches across the state in creating new products, accessing new markets, and keeping more jobs and profits in Montana's rural communities.

In many ways, the numbers speak for themselves. Even in the program's first year, 100 clients have been served to start up and expand businesses, creating 132.5 new jobs and 39 new products. And Montana's relatively small investment has been leveraged 40-fold by other funding sources into \$9.3 million for Montana's farms, food, and agri-energy businesses.

For Montana to develop an economy that supports profitable farms and ranches, we need the product diversity, processing capacity, and farmer-centric business resources that the Food & Ag Development Centers provide. Please reauthorize the funds for these important centers by voting "Yes" on HB 207.

Sincerely,



Bonnie Buckingham
Executive Director

Joel Ahr Carlson
Thunderhead LLC.
P.O. Box 96
Arlee, Montana, 59821

January 20, 2011

Mission Mountain Food And Agricultural Development Center, located in Ronan, Montana, is an extremely valuable source for economic development with agricultural entrepreneurs, small business', and small farms in Lake County, Montana. They provide technical assistance, help with product marketing, food product development, micro-loans for small business' and grant assistance with the State of Montana grant programs.

Small business' and farms rely on economic development centers like MMFEC, to increase their productivity and realize their economic potential, which allows for a higher survival rate of these small business'. This, in turn, increases the economic growth of rural areas such as Lake County. Other small business' that see the success of business' that utilize MMFEC will also incorporate their business growth plans to include MMFEC and increase the economic growth in this region. Without entities like MMFEC, rural areas of Montana will not see economic growth in these areas and will continue on a "flat-line" of growth in the specialty foods business area.

My company has utilized the services provided by MMFEC from the inception of our specialty food idea. After four and a half years of moving forward with the help of MMFEC, my food business is moving into national food markets, and bringing dollars back into the State of Montana. This is the hope of all small business' when starting up and these business' have a much better chance of success when using business incubators like MMFEC. And with more small business' being successful, the economic growth for the entire state will move forward, increasing the flow of trade dollars into the state, and increasing tax coffers that will positively impact the whole state. Thank you for time.

Sincerely,



Joel Ahr Carlson
Owner, Thunderhead LLC.

*** *Western Montana Specialty Foods, Inc.* ***

*P.O. Box 182
Superior, MT 59872
(406)822-3613*


January 20, 2011

To Whom It May Concern:

I have been associated with, and a member of the Lake County Community Development Corporation/Mission Mountain Food Enterprise Center for one year. During this time, the Center has, and continues to provide me with all the required courses, various seminars, vendor information, facility personnel and training in order for me to development and market my food products.

As a budding entrepreneur, I have found the LCCDC/MMFEC a valuable asset for my growing business and would like to see the Center funded adequately in order to continue their support to the communities in Western Montana. Thank you.

Sincerely,



Mary G. Ippisch/Owner
Western Montana Specialty Foods, Inc.
home of Bitterroot Sweet Relish

Jan Tusick

To: Western Montana Growers Cooperative
Subject: RE: [Fwd: Please support HB 207]

Western Montana Growers Cooperative
P.O. Box 292
Arlee, MT 59821
Phone: (406) 726-4769 grower@blackfoot.net

20 January 2011

RE: HB 207 Food and Agriculture Center Program

I am writing on behalf of Western Montana Growers Cooperative (WMGC) to ask you to support the Food and Agriculture Center Program in HB 207. The Mission Mountain Food Enterprise Center in Ronan has been instrumental in the success of our agricultural marketing cooperative and to many of our 30+ farm members. Currently the Center is assisting the Coop with several projects. We are developing a member equity program to raise capital fairly from our members and improve our financial stability. We are evaluating third party transportation costs and options to expand our delivery capacity within Montana without duplicating existing services.

And we are assessing production, storage capacity, processing, and marketing for the expanded production of core crops that we currently produce. In addition to the services provided to the Coop, the Center has assisted our members with the concept to shelf production of value added products and provides safe and secure storage for farm produced products.

The Western Montana Growers Cooperative is a coalition of farmers in Western Montana whose goal is to provide the wholesale market in their region with fresh, quality products from their farms. To reach that goal, the cooperative provides a wholesale marketing and delivery service for its members. We strive to improve the "local food system" of our area by reducing the demand of produce being shipped here from long distances while enhancing the sustainability of local farms and contributing to local economic growth.

By providing a marketing and distribution service, WMGC allows the farmer members to concentrate on producing great food, while providing a comprehensive, accessible product for the market. The service allows our customers to access many local farms with one transaction. Through labeling and our website, we work to preserve the identity of the individual grower and inform the customer of where and how their food is produced. Our members supply a range of fruit, herb, vegetable, meat and dairy products that can be produced in our area.

I ask you to continue to support the Food and Agriculture Center Program to continue to assist Montana farm based entrepreneurs.

Sincerely
Jim Sugarek
Assistant Manager WMGCoop



*"We clean up what your cows leave
behind"*

LTL, INC
Lee Roy & Lori Goddard
P.O. Box 24, Reed Point, MT 59069
406-326-2254

goddardtrucking@yahoo.com

December 23, 2010

Re: Food and Agricultural Development Network Funding Request

To Whom It May Concern:

We would like to offer our whole-hearted support of the Montana Food and Agricultural Development Network's need for continued funding.

Our business has worked closely with the Food and Ag Development Center at Beartooth RC&D. The Montana Food and Ag Development Centers has been an integral provider of resources to our area in the delivery of technical assistance and resources to developing businesses. We believe the Food and Agriculture Center Network program should be one that has long-term sustainability.

Specifically the Beartooth Food and Ag Center has helped our business by spending countless hours in helping our company LTL, INC obtain a GTA & CIG Grant for our custom manure spreading and manure composting business. By our business being granted these two grants, our customer base has increased by 53% and we have been able to sustain 3 full-time jobs and 1 part-time job.

We believe this network to provide the technical assistance necessary to develop and retain small food and renewable energy businesses in our rural communities. Thank you for your consideration of the Montana Food and Ag Center Network's request.

Sincerely,

Lee Roy & Lori Goddard-owners
LTL, INC

1/07/2011

Senator Chas Vincent

Re: Food and Agricultural Development Network Funding Request

Our business is a small bakery located in Bridger, MT which makes artisan pastries and breads utilizing as many local ingredients as possible. We have been in business three years now and have seen our business grow each year.

We would like to offer our support of the Montana Food and Agricultural Development Network's need for continued funding.

Our business has worked closely with the Food and Ag Development Center at Beartooth RC&D. The Montana Food and Ag Development Centers have been an integral provider of resources to our area in the delivery of technical assistance and resources to developing businesses. We believe the Food and Agriculture Center Network program should be one that has long-term sustainability.

Specifically the Beartooth Food and Ag Center has helped our business by assisting us with the writing of a USDA Rural Development grant for a marketing plan and for the development of a logo, website and business signage.

We have also found it difficult to keep pace with state food and safety updates and regulations due to there being no established website or central location for getting Health and Human Safety questions answered accurately and in a timely manner. Currently the process of calling the state DPHHS office for Howard Reid or our county sanitarian is a slow process due in part to both of their workloads not allowing for acceptable access to them for up to date information. We wish to stay in compliance with state food and safety regulations but believe a lack of centralized communication network makes it difficult to do. The food and safety guidelines adopted by the federal government are difficult to even find for small food businesses.

We would like to see a process by which when county sanitarians certify food businesses they collect a fee and present the business with the food and safety guidelines in hard copy or through a website that simplifies through categories so the regulations have less subjectivity. We would like to see someday a state and federally compliant database for certified food businesses to keep track of changes in their products contents information as it changes etc that could also send out emails when there are changes that affect them.

Sincerely,

Tim and Deb Zimbleman

Das Kuchenhaus Bakery

Bridger, MT 5901

A handwritten signature in black ink, appearing to read 'Tim and Deb Zimbleman', is written over the printed name. The signature is stylized and fluid.

To: John Esp

Montana House of Representatives -- FAX number 444-4875

From: Richard Jarrett, Chairman of Sweet Grass Natural Lamb

Re: HB 207 -- Food and Agricultural Development Network Funding Request

Date: January 18, 2011

I am writing this letter in support of Beartooth RC&D funding via House Bill #207.

We have been working for some years to develop a vertically integrated lamb enterprise known as Sweet Grass Natural Lamb. We are four generational ranching families in Sweet Grass and Stillwater counties. All total we are raising 6,000 lambs annually.

Throughout this process we have collaborated with various groups and different government agencies. The agency that did the most good in helping us reach our goals is Beartooth RC&D. It is as simple as that.

These are local guys with their feet on the ground. They have a vested interest in seeing their local communities grow. They are willing to work hard and they do a terrific job. These are the kind of people and the kind of effort we want to put our tax money behind. The money you allocate to these guys is not wasted.

Their technical assistance, facilitation of group dynamics, and grant writing and administrative skills are invaluable. No one else is doing what they are doing...and it is important work necessary to develop and retain businesses in our rural communities.

We would like to offer our whole-hearted support of the Beartooth RC&D's Montana Food and Agricultural Development Network's need for continued long-term funding.

If you have further questions, do not hesitate to contact me or any of the other members in our producer-owned lamb cooperative:

- Richard (Rick) Jarrett, 696 North Yellowstone Trail, Big Timber MT 59011, Cell 406-930-0015
- Kevin Halverson, Lower Deer Creek, Big Timber MT 59011, Cell (406) 930-0650
- Harv VanWagoner, 162 Old Boulder Road, Big Timber MT Cell (406) 390-2740
- Sven Svenson, 431 Svenson Road, Reed Point MT 59069

December 14, 2010

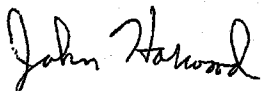
To Whom It May Concern:

We are pleased to add our support to your efforts to seek continued funding for the Montana Food and Agricultural Development Network.

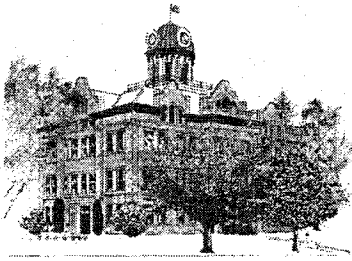
We are grateful for the technical assistance and capital resources provided by the Center at Beartooth RC&D. The Center's support has been instrumental in the continued development of a marketing plan for our rangeland integrated weed control business. Our team is confident that the resources invested in our company will serve to create agricultural jobs, conserve natural resources, and improve ranchers' profitability.

It is important to recognize that this network serves a vital role in the development of small agricultural businesses in our rural Montana communities. Thank you for your consideration of the Montana Food and Ag Center Network's request.

Sincerely

A handwritten signature in cursive script, appearing to read "John Harwood".

John Harwood-President
Harwood Enterprises Inc.
Joliet, MT



Fergus County

712 W. Main • Lewistown, MT 59457
Ph: 406-535-5119 • Fax: 406-535-9023
email: commissioners@co.fergus.mt.us

Commissioners:
Carl Seilstad
Ken Ronish
Sandra Youngbauer

January 19, 2011

To Whom It May Concern:

Fergus County Commissioners would like to voice our support for continued funding the Montana Department of Agriculture's Food and Agricultural Development Centers, including the one in located at Snowy Mountain Development Center in Lewistown.

We work closely with SMDC and have a seat on its board of directors so we are very familiar with their activity. SMDC was a Montana Ag Innovation Center, then a Bio-Products Innovation Center, and most recently became the newest Food and Ag Center. Our leading industry is Fergus County is agriculture and we are very interested in seeing entrepreneurial producers assisted and believe the Food and Ag Centers can take a vital role in their success.

We have a number of small food processors, organic farmers, and a grocery store cooperative who work with SMDC and rely on it as a resource for product development, business planning and other technical assistance. SMDC also manages our county revolving loan fund and a six-county revolving loan to assist businesses with gap financing.

It is our hope that the Montana Legislature will pass HB-207, which would provide continued funding for the Food and Ag Centers, including the one at SMDC. We hope our Legislators will see the wisdom of continuing to support a program that will help Montanans increase their capacity to produce food, farm-derived alternative energy, and value-added ag products. This can only serve to improve our economy.

Thank you for your consideration of this request and we would be glad to discuss this topic at any time.

Sincerely,

Carl Seilstad, Chairman
Fergus County Board of Commissioners



July 17, 2011

To Whom It May Concern,

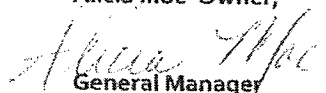
Agriculture is Montana's number 1 industry. In 2010 Montanans spent over 3 billion dollars to buy food; yet, less than 9% was spent purchasing food that was grown or processed in Montana. Instead, 2.7 million of Montanans' food dollars went to support the agricultural economies in other states and other countries. These sobering facts continue to negatively impact Montana's economy as more and more dollars leave the state each year.

Interest in safe, nutritious, affordable, LOCAL food is at an all time high. Montana ag producers and processors provide an abundance of source-verified, nutritious, quality products and are looking for ways and means to bring them from farm to table. Most simply need help in the form of education and technical assistance in order to do that efficiently, effectively and safely.

The Food and Agriculture Development Centers are designed to meet the specific needs of Montana's food manufacturing, renewable energy, and value-added agricultural businesses. They have proven their ability to educate, assist and develop the capacities of Montana's agricultural entrepreneurs. HB207, which appropriates stable funding for the Food and Agricultural Centers, is critically important to Montana's economy.

Your "YES" vote for HB207 supports the growth of Montana's value-added agricultural businesses. This will not only increase access to quality food and energy for every Montanan, but will also help to reverse the flood of food dollars leaving the state. On behalf of small ag businesses like Cream of the West, I encourage and appreciate your support of Montana's number one industry. It truly is Montana's homegrown stimulus package.

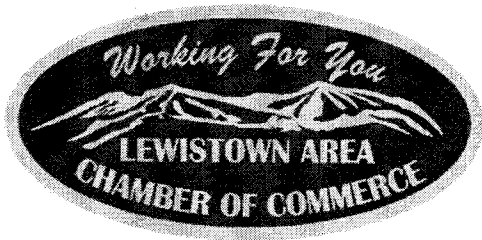
Sincerely,
Alicia Moe Owner,


General Manager
CREAM OF THE WEST.

CREAM OF THE WEST

PO Box 2909 Harlowton, MT 59085

cofw@mtintouch.net 1-800-477-2383 www.creamofthewest.com



408 N.E. Main
Lewistown, MT 59457
406-335-5436

January 18, 2011

To Whom It May Concern:

Please let this letter serve as a whole-hearted voice of support for continued funding of the Montana Food and Agricultural Development Centers, including the Lewistown center at Snowy Mountain Development Corporation (SMDC).

The Lewistown Area Chamber of Commerce recognizes that agriculture maintains its position as the leading industry in Central Montana. Without a doubt, our Lewistown businesses are highly dependent upon agriculture. When ag businesses are doing well, so is Main Street.

It is our understanding that SMDC recently became one of the Food and Ag Centers in Montana and provide a variety of services which will help local producers offering value-added ag products. This can only help our local economy and we therefore urge you to continue Food and Ag Center funding through the passage of House Bill 207.

We're well acquainted with SMDC and know that they have a track record of assisting our local businesses in many industries including retail, manufacturing, cooperatives and agriculture. Montana Department of Ag dollars will be well spent by funding SMDC as a Food and Ag Center.

Please don't hesitate to contact me for more information or further testimony. Thank you for recognizing the merits of the Food and Ag Development Centers ability to improve the economy in Montana.

Sincerely,

Connie Fry, Executive Director
Lewistown Area Chamber of Commerce

lewchamber@mtstateva.com
www.lewistownchamber.com



Montana Food Bank Network

January 18, 2011

Rep. Walter McNutt, Chairman
House Appropriations Committee
Montana State Capitol
Helena, Montana

Dear Chairman McNutt:

The Montana Food Bank Network is working on a project to build a Food Processing Center in the Deer Lodge Valley that would create a market for Montana producers, provide training in food processing for inmates at Montana State Prison, and provide much-needed food for Montana's emergency food system. The Network has worked closely with Bear Paw Development Corporation (one of the food and agriculture innovation centers that would benefit from the passage of HB 207). Bear Paw Development provided technical assistance to help the Montana Food Bank Network sift through the process of creating and funding a business and marketing plan and feasibility study for our Processing Center. As a nonprofit organization whose mission is to provide food for hungry people, we possess neither the understanding nor the skills to traverse this complicated process. Bear Paw helped us identify funding options for our business plan and has even written grant proposals to secure funding for our plan.

Montana's food and agriculture innovation centers are necessary to assist organizations like ours and other entrepreneurs who are committed to improving food manufacturing and/or alternative energy production in Montana. Many small entrepreneurs like us have a vision for improving economic viability for our state by providing a mechanism through which healthy food grown in Montana can be processed and consumed by Montanans.

The Food and Agricultural Innovation Centers is a necessary vehicle to rebuilding Montana's processing infrastructure through their support of projects like our processing center. By ensuring that these centers can continue to provide technical assistance to Montana's food and farm entrepreneurs, HB 207 will help Montana retain a greater share of the billions of food and energy dollars Montanans otherwise ultimately send out of state.

Sincerely,

Peggy A. Grimes

Peggy A. Grimes
Executive Director



Peggy Grimes - Executive Director
5625 Expressway
Missoula, MT 59808

PHONE (406) 721-3825
TOLL FREE (800) 809-4752
FAX (406) 542-3770
E-MAIL endhunger@montanafoodbanknetwork.org
WEB SITE <http://www.montanafoodbanknetwork.org>



January 18th 2011

Chairman McNutt,

Greetings from the Hi-line. I am writing this to get you to release the purse strings for funding of the Food and Agricultural Development Centers. HB 207. I am a retired organic farmer and sheepherder. We sold the ranch a few years ago, downsized and started a wool processing business in Malta. As a lifetime agricultural producer (2500 acre grain, 1200 ewes & 100 cows) it was a big change in my life. Starting a business in a downward spiral of the economy is rough. If it wasn't for the help from Pam Lemer and the GTA (Growth Through Ag program) we could have never accomplished this.

She has been a wealth of information for doing projections, business planning, meeting with bankers with us and acting as a liaison with the department of agriculture. She has done numerous little things to help out. She is a huge asset on the hi-line and we damn sure need her up here. Changing from a price taker in the ag market to a price setter is a big change. With out her help and encouragement, we would still be scratching our heads and trying to figure out what direction to go.

If you need to cut funding, do it somewhere else, but our communities and region really need Pam and people like her to lead us into business and industry developments. She has traveled from Havre to Malta to take photos, do news releases and generally help out wherever and whenever we need her.

Yours As Ever

Thayne Mackey

Brookside Woolen Mill

Malta Montana

406 654 4428

MONTANA
Cooperative
DEVELOPMENT CENTER

P.O. Box 3027
Great Falls, MT 59403
Tel: 406-727-1517
Fax: 406-727-2864

January 19, 2011

Chairman Walter McNutt and Members of the House Appropriations Committee
Montana House of Representatives
Appropriations Committee
Capitol Building
Helena, MT 59601

Dear Representatives:

I am writing in support of HB207 which will provide funding for a Montana food and agriculture development program.

The intention is to use centers which have a proven track record of providing quality service in these respective areas. The Montana Cooperative Development Center (MCDC) has part time Cooperative Development Specialists housed in Bear Paw Development (Havre) and Beartooth RC&D (Joliet) which are centers presently acting in this capacity.

MCDC is support of funding to continue these services.

I would be pleased to visit with you at your request.

Sincerely,



Brian Gion
CEO
Montana Cooperative Development Center

www.mcdc.coop

This is an Equal Opportunity Program. Discrimination is prohibited by Federal Law. Complaints of discrimination may be filed at: USDA Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue Southwest, Washington, DC 20250-9410. For TTD Service contact the Montana Relay Service at 711 or 800-253-4091.

January 20, 2011

Big Spring Market

613 1st Ave. S.

Lewistown, MT 59457

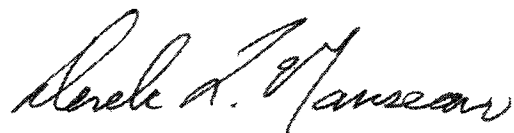
(406) 535-6888

To whom it may concern,

I am writing you today to express our support for Snowy Mountain Development Corporation. Snowy Mountain Development Corporation has a rich history of providing aid and assistance to businesses in Central Montana. Big Spring Market is one such business that has grown due to assistance from Snowy Mountain Development Corporation. The staff at Snowy Mountain Development Corporation has helped Big Spring Market through technical assistance, business plan preparation, cash flow projections, etc. Big Spring Market was also able to secure a zero interest loan through USDA Rural Development Business Enterprise Grant program, and an Incumbent Worker Training Grant through Business Expansion and Retention. Because of Snowy Mountain Development Corporation, Big Spring Market has been able to access these fine business resources. We have continually and steadily seen customer base, membership activity and market share grow because our relationship with Snowy Mountain Development Corporation. We look forward to new and exciting opportunities of growth and expansion, and partnering close with Snowy Mountain Development Corporation to aid in those lofty goals.

Please consider our support for MT Food and Ag Development Centers and Snowy Mountain Development Corporation in the upcoming funding and budget hearings. Thank you very much for your time.

Derek F. Manseau



General Manager,
Big Spring Market

Montana Food and Agricultural Development Centers

Program Description

Montana's Food and Agricultural Development Network, administered by the state Agriculture Department, targets technical and financing assistance specifically to new and expanding businesses in the fast-growing regional food, farm-derived renewable energy, and other value-added agricultural categories. The centers function as a network, serving clients anywhere in the state with the combined capabilities of all the centers working together.

The centers are in 1) **Havre at Bear Paw Development Corporation**; 2) **Joliet at Beartooth RC&D**, with a **satellite center in Glendive at Community GATE**; 3) **Ronan at Lake County Community Development Corporation**; and 4) for FY2011, **Lewistown at Snowy Mountain Development Corporation**. The Glendive center was a stand-alone center in FY2010 and became a satellite of Joliet in FY2011.

First year results – FY2010

Clients served—start-up and expanding businesses	100
Jobs created/retained	132.5
Self-employment created/retained	40
New products introduced	39
Client training (FY2010 to-date)	20 trainings - 300 participants
Funds leveraged, public & private loans and grants	\$ 9.3 million

Purpose:

1. To increase Montanans' capacity to produce and commercialize food, farm-derived renewable energy, and other value-added agricultural products, and
2. To retain in Montana the value that's added to the state's raw agricultural products.

Center Specialties	HAVRE Bear Paw Dev. Corp	JOLIET Beartooth RC&D	GLENDIVE Community GATE	RONAN Lake Co CDC	LEWISTOWN Snowy Mountain
Renewable energy, biomass, biofuel	X	X			X
Food product development, processing, commercial kitchen		X	X	X	X
Food scientist	X	X	X	X	X
Educational workshops	X	X	X	X	X
Cooperative development	X	X	X	X	
Mobile meat processing education, training				X	
Revolving loan fund	X	X		X	X
Access to federal contracts				X	X

Talking Points

1. Because food and farm-based renewable energy businesses present extra challenges in terms of product development, labeling and regulatory compliance, the food and ag center program has developed specific food and renewable energy capacity not typically available at most other business and economic development technical assistance agencies, or in previous, similarly targeted federal programs.
2. The \$500,000 the program cost for the biennium is not new money. The funds are a simple reallocation of a portion of the Commerce Department's Research and Commercialization Technology program's existing 20 percent set-aside mandated to fund agriculture-related projects.
3. When you do the math, the \$250,000 annual cost of the program in its first year has been leveraged nearly 40-fold into \$9.3 million in grants, loans and investments for MT businesses that the centers helped acquire.
4. This program has developed an important and complementary relationship with business capital sources like the Growth through Agriculture program. By working closely with value-added agriculture-related entrepreneurs, the Food and Agricultural Development Centers have noticeably increased the quality of business grant and loan applications to the GTA program, and are helping make sure the funded projects are successful.
5. This is a new generation program compared with the previous **federal** Montana Ag Innovation Center and BioProduct Innovation Center programs. Those earlier programs were developed in Washington, DC, and had limitations that made them difficult to implement in Montana. This new program was designed specifically for Montana and the significant opportunities presented by the growing regional food and farm-derived renewable energy trends.
6. The state's regional Small Business Development Centers (SBDCs) are increasingly sending their food and renewable energy clients to the Food and Ag Development Centers. The result is a lightening of the workload of the SBDCs **and** delivery of a more complete set of services targeted specifically to the needs of food manufacturing, renewable energy producing and other value-added agricultural businesses.

Milestones FY2010	Food Manufacturing	Ag Energy	Other Value- Added Ag	TOTAL
Clients served	73	12	15	100
Funds leveraged total	\$5,350,000	\$1,626,027	\$1,986,000	\$ 9,382,027
Public	\$ 1,175,000	\$ 626,458	\$ 858,000	\$ 2,659,458
Private	\$ 4,175,000	\$ 999,569	\$ 1,128,000	\$ 6,722,569
Jobs created/retained	99.5 (34 seasonal)	3	30	132.5
Self-employment	37	6	7	40
New products	35		4	39

Success Stories: A sampling from the program

Earl Fisher Biofuels LLP of Chester recently entered into a year-long partnership with BNSF Railway and the MSU-Northern Bio-Energy Center to test the company's B-20 biodiesel year round in a locomotive switching engine at the BNSF Havre yard. The Havre Food and Agricultural Development Center operated by Bear Paw Development Corp. has worked closely with the firm, which also received Growth Through Agriculture funding in 2004 and 2007 for equipment and product promotion. The company produces biofuels from canola and other Montana-grown oilseeds.



Tipu's Chai of Ronan has "graduated" from the Mission Mountain Food Enterprise Center and now has its tea products made at a co-pack facility in Colorado. Company President Bipin Patel credits the center with having the facilities that enabled him to grow his business and providing information to surmount labeling and regulatory hurdles. The Ronan Food and Agriculture Development Center assisted him with a business plan and in receiving a large venture capital investment to expand the business.

Cream of the West, founded in 1914 and moved to Harlowton by the current owners in 2002, has received technical assistance from all of the Food and Agricultural Development Centers. It also received Growth Through Agriculture funding in 1990, 2004 and 2009 totaling \$54,200 for the development and marketing of new products. Currently, *Cream of the West* employs 3 full-time and 3 part-time employees, has annual sales of approximately \$500,000 and serves markets that include all 50 states and 5 foreign countries.

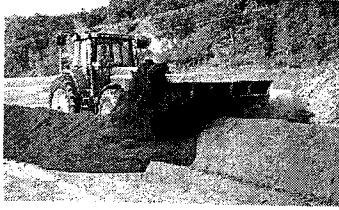


Harwood Enterprises offers commercial pesticide application and vegetation management services in the Joliet area. Owner John Harwood received business and marketing assistance from the Joliet Food and Agricultural Development Center at Beartooth RC&D, including help preparing a successful application for a Rural Business Enterprise Grant for a marketing plan for his business.

Montana Mobile Poultry Processing Unit, based in Ronan, is capable of slaughtering 300 chickens per day on-farm. The Ronan Food & Ag Development Center of Lake County CDC has conducted trainings on the unit at several of the centers. Mobile processing with approved facilities and equipment enables farmers to sell processed poultry to grocery stores and restaurants under USDA's Food Safety Inspection Service 1000-bird or 20,000-bird slaughter exemption. In 2007, the Montana Poultry Growers Cooperative received a \$16,000 loan and a \$17,900 grant from the Growth Through Agriculture Program to help build and market the unit.



LTL Inc. of Reed Point received a combined \$48,000 grant and loan from the Growth Through Agriculture program in 2009 for its Goddard Manure and Compost project. Goddard Land & Cattle operated a custom manure spreading operation in Stillwater and Yellowstone counties for eight years before expanding into manure composting. The Joliet center at Beartooth RC&D has assisted the new business in several ways, including business planning, grant writing and information regarding environmental regulations for the new venture.



Becky's Berries of Absarokee makes and sells a high-quality line of jams, jellies and syrups made from wild berries. The business received start-up business assistance from the Snowy Mountain Development Corporation and additional help and training from the Snowy Mountain Food & Ag Development Center in Lewistown as well as from training events coordinated by the Ronan and Joliet Food and Ag Development Centers. Becky's sells products and gift boxes via the company's website, as well as at area farmer's markets and fairs. Becky's Berries received a grant of \$4,994.36 in 2008. The grant helped purchase business equipment and pay for tradeshow costs in order to increase sales into larger markets.



Silent Creations of Ronan recently expanded its buffalo products line to include more jerky flavors and sausage snacks. Owner Matthew Silent Thunder credits the Mission Mountain Food Enterprise Center and the associated Ronan Food and Ag Development Center for providing a USDA-approved meat facility and help with labeling and a required hazard analysis and critical control points plan. Both are needed to allow marketing the company's products nationally and globally. He also received a Growth Through Agriculture grant in 2009 for website development and promotions.